



State of New Jersey

DEPARTMENT OF HEALTH AND SENIOR SERVICES

PO BOX 360

TRENTON, N.J. 08625-0360

JAMES E. MCGREEVEY
Governor

www.state.nj.us/health

CLIFTON R. LACY, M.D.
Commissioner

May 20, 2004

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Ian McFadden, Interim President & CEO
East Orange General Hospital
300 Central Avenue
East Orange, NJ 07019

Re: Notice of Penalty, Facility ID # 10704

Dear Mr. McFadden:

N.J.A.C. 8:31B-4.6(c) requires each hospital to submit its Current Cost Base and Annual Audited Financial Statement to the Department of Health and Senior Services (Department) by June 30, 2002. Failure to submit the Current Cost Base or Audited Financial Statement will result in a \$100 penalty for each working day past the appropriate submission date in accordance with N.J.A.C. 8:31B-3.3(c).

As of November 1, 2002, the Department had not received the 2001 Annual Audited Financial Statements from your hospital. As a result, the Department assessed an *interim* penalty of \$8,500 on December 5, 2002 (copy enclosed). Your hospital submitted its 2001 Annual Audited Financials on December 31, 2002, which requires an additional penalty of \$3,700.

Please send a check made payable to "Treasurer, State of New Jersey" in the amount of \$3,700 by June 1, 2004 and mail to:

New Jersey Department of Health and Senior Services
Hospital Financial Reporting & Support
225 East State Street, 8th Floor East Wing
P.O. Box 360
Trenton, New Jersey 08625-0360
Attn.: Colleen Hargrove

Pursuant to N.J.S.A. 26:2H-13, you may contest this proposed penalty assessment by giving written notice to this Department of your desire for a hearing before the Office of Administrative Law. This penalty may be held in abeyance until the hearing has been concluded and a final decision rendered. A request for such a hearing must be submitted to this office within 30 days after the date of this letter and should be forwarded to:

New Jersey Department of Health and Senior Services
Office of Legal and Regulatory Affairs
P.O. Box 360, Room 805
Trenton, New Jersey 08625-0360

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If you have any questions concerning this matter, please contact Mr. Robert T. Neu, Director of Hospital Financial Reporting & Support, at (609) 984-7639.

Sincerely,

Marilyn Dahl
Deputy Commissioner
Health Care Quality & Oversight

c: Joseph Tricarico, Jr., Assistant Commissioner, DHSS
Ruth Charbonneau, Director, DHSS
Beth Jacob, Executive Assistant, DHSS
Robert T. Neu, Director, DHSS